



SUPPLEMENTAL

COUNCIL AGENDA: 06-20-06
ITEM: 2.17

Memorandum

**TO: HONORABLE MAYOR
AND CITY COUNCIL**

FROM: Katy Allen

SUBJECT: SEE BELOW

DATE: 06-19-06

Approved

Date

6/19/06

COUNCIL DISTRICT: Various

SUBJECT: SUPPLEMENTAL TO 06/20/06 MEMORANDUM REGARDING MASTER AGREEMENTS WITH CALLANDER ASSOCIATES LANDSCAPE ARCHITECTURE, INC. AND CH2M HILL, INC. FOR VARIOUS TRAIL PROJECTS

REASON FOR SUPPLEMENTAL

To provide further analysis on the use of consultant services for the development of recreational trails in San José.

BACKGROUND

In late May and early June 2006, Department of Public Works met with the Association of Engineers and Architects (AEA) Employee Organization to discuss utilization of consultants to augment City staff resources with respect to the planning, design and construction of recreational trails within San José. Of particular focus were the proposed Master Agreements with Callander Associates Landscape Architecture, Inc. and CH2M Hill, Inc. The result of these meetings was a commitment to reevaluate and confirm the previous analysis.

Resource and staffing needs are determined on an annual basis as part of the Department's staffing plan process. A project team develops these needs based on input from the client, the Public Works project manager (Associate Architect or Engineer) and the Section Lead (Senior Architect or Engineer). In the case of the trail projects, the project team was asked to revisit the resource plan to ensure any contracting-in opportunities are not lost.

ANALYSIS

Several factors warrant consideration when making decisions on setting project schedules and budgets:

- Availability of professional and technical expertise

- Time constraints and schedule commitments.
- Funding requirements.
- Complexity of project management requirements.

Given that each project is driven by unique circumstances with differing resource demands, there is no single answer with respect to how resources can best be applied to any particular project; however, consideration is given to maximize the use of in-house resources. With that in mind, the following questions are weighed when making the decision of utilizing in-house resources versus consultant services:

- Do we have the staff on hand to perform the work?
- Do we have the technical expertise to do this type of work and have we traditionally performed this type of work?
- Is the work sustainable throughout the year?
- Is the work sustainable from one year to the next?
- What is the most cost effective manner to perform the work?

Do we have the staff on hand to perform the work? The City Facilities Architectural Services Division staff is fully engaged in work on a wide variety of projects and programs. This is the same for other parts of the Public Works Department. In fact, the proposed staffing plan for fiscal year 2006/07 includes filling approximately 25 vacant positions across the Department. At this time, the capacity does not exist to transfer additional staff to the trails group.

Do we have the technical expertise to do this type of work and have we traditionally performed this type of work? Staff has found over time that the environmental constraints identified by the regulatory and permitting agencies make project planning, design and construction increasingly challenging. Through the use of consultant services, the City can ensure that the project plans and designs are prepared using state of the art expertise. Staff has the opportunity to learn from each project in a similar fashion; however, a consultant firm can tap into experience gained by associates working on projects throughout the state and the nation. This greater level of exposure to design challenges makes a consultant well suited to respond to prescriptive permitting conditions.

Is the work sustainable throughout the year? The development of recreational trails occurs generally along riparian corridors and presents unique challenges for delivery of projects that both support public access and preserve sensitive natural environments. The planning and design of trails involves diverse areas of professional expertise such as: surveying; civil, structural and hydraulic engineering; landscape architecture; environmental analysis; biology and archaeology. Although Public Works has expertise in many of these areas, the workload generated by the trail projects in each of these disciplines is projected to be intermittent and not sustainable throughout a particular year.

Is the work sustainable from one year to the next? It is expected that the Trail Program will be very active for the next two years. However, the budget for trail projects is primarily reliant

on local, state and federal grants requiring pursuit of funding resources in a competitive environment. Given that procurement of funds does not align with the City's budget or work plan development process, staff needs the resources made possible by consultant master agreements to quickly initiate grant-funded projects when the funds become available. By making use of grant funds in a timely manner, the City is building a reputation for effective use of funds and strengthening its position in securing more grant funds in the future. Trail projects often materialize in an unpredictable manner making it difficult to plan resources from one year to the next and extremely difficult to predict beyond two years.

What is the most cost effective manner to perform the work? Trails bring a particular set of demands, differing site conditions, and a set of circumstances specific to each particular project. Likewise, the type and extent of professional and technical expertise necessary to undertake the work will also vary. The practicality of staffing for the full array of skills and expertise that might be needed at any time is problematic, and could well lead to an undesirable over and/or under-utilization of staff over any given period of time.

Accordingly, the flexibility provided by master agreements facilitates an appropriate and tailored response to projects as they materialize, complimenting a stable City staff to ensure project delivery in the most efficient and effective manner possible.

SUMMARY

Utilization of these master agreements will not jeopardize the security of, nor have adverse impacts upon, existing professional City staff. Rather, staff expertise can be focused on providing project and construction management; providing effective coordination with other City staff, stakeholders, and regulatory and permitting agencies; monitoring budgets; and ensuring proper and timely coordination with funding organizations.

In addition, the partnership with the consultants will allow City staff the opportunity to gain valuable experience on these complex trail projects. This combined with establishing sustainable funding for trails will increase the City's ability to contract-in this work in the future.

HONORABLE MAYOR AND CITY COUNCIL

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Subject: Supplemental Memorandum regarding Master Agreements with Callander Associates Landscape Architecture, Inc. and CH2M HILL, Inc. for Various Trail Projects

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COORDINATION

This memorandum has been coordinated with AEA. As part of the coordination process, several meetings have been held with AEA to answer questions and to provide additional information about the department staffing plan and strategy for delivering trail projects.



KATY ALLEN

Director, Public Works Department

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, at (408) 535-8300.

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